



CALPEEK

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CAMPAIGN '96: WAR ON TOP CA TAX BRACKETS.

Editor's note: Here's our first report on one of the more controversial initiatives on the Nov. 5th ballot: ***Top Income Tax Brackets. Continuation. Revenue to Local Agencies.*** Before your eyes glaze over, a word of warning: this will be a hot topic in the fall and we anticipate that both sides will have money to wage aggressive campaigns, complete with slates and tv ads. Here's our brief update & analysis...

...The two proponents of this measure are Lenny Goldberg & Roy Ulrich. Goldberg calls the initiative *The Local Control & Fiscal Responsibility Act*. For now, the official campaign cmt. is called Friends of Local Control. The committee has yet to name a campaign consultant, but that's expected soon. S.F.-based polster David Binder has been doing some work for Goldberg, so he could be part of the team. Goldberg won't reveal a campaign budget figure --- saying only that the budget will be enough to win. Need to reach Goldberg? ☎(916)446-4300...

...This initiative impacts only 1.2% of all Californians who file tax returns, meaning we're only talking about 169,000 people - out of 14 million Calif. tax filers. But these are people in the top income tax brackets: singles who make \$112,000 to \$225,000; and joint-filers who make \$225,000 to \$450,000 per year. The key question in this initiative battle is the tax rate. Proponents say unless this measure is OKed by voters, the state's top tax bracket will drop from 10% & 11% to 9.3%. In terms of raw dollars, we're talking about \$800 million. Why does Goldberg want to see the top tax brackets remain or continue at the higher rate? To partially restore funds taken from local government several years ago during a budget squeeze...

...The business community (read that as CA Chamber and Calif. Taxpayers Assn.) sees things very differently.

They have hired Burlingame-based Woodward & McDowell to run the NO campaign. W&M have trotted out the old NO on #167 campaign committee once again: *Californians for Jobs, Not More Taxes!* That's the official name of the committee opposing this measure. As the NO group views it, the 9.3% tax bracket is already in place and Goldberg's measure would **RAISE** taxes by restoring the brackets to 10% & 11%. Put another way: some of those who oppose the Goldberg measure view it as nothing more than a *soak the rich scheme*. Need to reach W&M and the campaign?

☎(415)340-0470. Stay tuned...

SOME JULY 4TH VACATION TIME FOR CALPEEK

Here's wishing everyone a safe *July 4th Independence Day* holiday. We're taking the week of July 1st off for a little R&R--- so there won't be a newsletter the week of July 8th. The next issue of CALPEEK will be dated July 15th. And we'll take more R&R time in August, but don't know just yet what those dates will be...

CAMPAIGN '96: GOP BATTLE OVER ABORTION WILL HEAT UP DESPITE ALL EFFORTS TO HEAL WOUNDS.

Editor's note: With the RNC Presidential Convention in San Diego just 6-7 weeks away (Aug. 10-16), our sources report the **abortion** controversy is still very much alive and threatening to rain big time on Bob Dole's presidential parade. Here is our brief report & analysis...

...On the back page of the June 26th issue of the L.A. Times' Metro section (where the editorial/op-ed page is located), there was a 5x8 ad with a rather bold headline (all in caps): *Take Abortion Out of Politics*. The ad was paid for by the DC-based Republican Coalition for Choice. The ad urges CA GOPers to call CA Atty. General Dan Lungren(R), who is a co-chair of the RNC Platform Cmt., and ask him to remove the abortion plank from the GOP platform. The plank calls for a

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constitutional amendment to *ban abortion*...

...The RCC newspaper campaign also included ads in 10 other major dailies around the U.S.(NY, Boston, Philadelphia, etc.), plus 90 weekly newspapers in targeted communities (suburbs) around the country. In fact the Republican Coalition for Choice is in the midst of campaign that will include a major operation at the San Diego convention. The coalition has hired some political consultants (no names yet) and is setting up a floor whip operation, as well as a volunteer and news media operation. In addition, the coalition has hired a legal counsel for an anticipated Rules Cmt. battle. In other words, the coalition is going all out to push its agenda...

...Why the increased activity --- especially in light of Bob Dole's support for the so-called Declaration of Tolerance? The coalition says the declaration isn't enough as long as the party keeps the current abortion language in the platform. And our sources say there could be a huge battle to toss out the declaration, especially if it is placed in the abortion plank itself --- a position favored by Dole at this time...

...And what's even more troubling to the coalition are reports from around the country that Dole loyalists are being booted off or are not being included in various State delegations. Former So. Carolina Gov. Carroll Campbell Jr. was excluded from his state's GOP delegation; and there's the big brouhaha in Texas, where the majority of GOP delegates (yelling *No Way, Kay*) wanted to toss U.S. Sen. Kay Bailey Hutchison off the delegation because of her pro-choice views. Sources say a compromise was worked out: Kay IN, but many Dole loyalists are now OUT. A similar situation in Washington State. Stay tuned...

PANEL DISCUSSION ON L.A.'s ALAMEDA CORRIDOR

The L.A. Current Affairs Forum will present a panel discussion/overview on the Alameda Corridor featuring Assemblyman Steven Kuykendall, Huntington Park Councilman Raul Perez, L.A. Harbor Comm. Jonathan Thomas and Alameda Corridor Transportation Auth. GM Gill Hicks. Parsons Brinckerhoff VP Norman Ross Jr. is the panel moderator. 7:45 a.m. registration/breakfast, 8:30 a.m. to 10:30 a.m. discussion, July 19, Hyatt Regency Hotel, L.A. For info/RSVPs ☎ Emma Schafer (213)627-7427...

GAMING MEASURE WON'T BE ON NOV. 5 BALLOT.

Editor's note: Palm Springs developer and card club owner Mark Bragg won't have his gaming initiative on the Nov. 5th ballot. Here's our brief update...

...Backers of this initiative to permit slot machines in 3 Palm Springs card clubs got the bad news June 21st when the L.A. County Registrar turned in its report to the Sec. of State. Of the 241,000 names submitted for verification from L.A. Co., only 53.1% were valid. That's very, very low and when combined with some other low validity rates from other counties, it was enough to convince insiders (as well as Bragg himself) that this initiative will **not** be on the Nov. 5th ballot. What's next? Registrars are awaiting word on whether they should do a full-count (count all names) now that the random sample count has fallen short...

...In fact, there is *speculation* that because the overall validity rate is so low, Bragg's measure may not even qualify for 1998 - even with the full count. We'll find out fairly soon, but our sources think it will be a very close call for Bragg. It is believed that Bragg and his backers spent somewhere between \$1.5 and \$2 million to qualify this measure. So the much anticipated fall mega-buck campaign war between Bragg and his allies vs. Las Vegas won't happen...

...Bragg needed 693,230 valid signatures to qualify and turned in 1.1 million over a 90-day period. Normally initiative sponsors have 150 days, but because all initiatives had to be certified by June 27th, Bragg was forced to shorten his qualification drive by 60 days. And in order to make sure he had the numbers, sources say Bragg was paying top dollar to petition/signature collectors. And anytime a sponsor pays top dollar, especially when there's a deadline crunch, things tend to get sloppy. Under the current initiative verification formula, anytime there's incorrect info(wrong name, address, city), registrars subtract 33 names from the random sample count. And when there's a duplication, registrars subtract 1,100 names. That's a huge number to be docked and some campaign professionals think the formula needs to be adjusted...

...FYI: Bragg says one way or another he'll be on the 1998 ballot, even if he has to start over. Stay tuned...

CA INITIATIVE UPDATE: MARIJUANA MEASURE DRAWS FIRE; CCRI STILL LEADS IN NEW POLL.

Editor's note: Lots of news on the initiative front to report. Here's our update...

■ ***Very Nervous*** - It's crunch time for the Competitive Bidding initiative sponsored by Professional Engineers in CA Govt. Although they turned in 1.2 million signatures (more than enough), as of 6/24 there were 22 counties who had NOT reported in. All initiatives for the Nov. 5th ballot must be certified by June 27th. Sources are very confident that Competitive Bidding will qualify --- but perhaps not until 1998. But should it qualify for the Nov. 5th ballot, it will face a major opposition campaign, with the Woodward & McDowell managing the NO side...

■ ***A Problem for Pot Plan*** - Our sources say the medical use of marijuana initiative will draw major opposition from **law enforcement groups**, who are expected to kickoff their NO campaign in Sacto on or about July 2nd. The opposition group will go by the name of *Citizens for a Drug Free Calif.* The law enforcement coalition will include the CA State Sheriffs' Assn., the Calif. DAs Assn.(CDAA), the CA Police Chiefs Assn., the CA Narcotics Officers' Assn. and AG Dan Lungren(R). Orange Co.-based Forde & Mollrich are the campaign consultants. Our sources expect fireworks at the kickoff news conference. More in two weeks...

■ ***New CCRI Polling Data*** - According to the new Field Poll, 70% of registered voters have now heard, seen or know something about the CA Civil Rights Initiative - a measure designed to kill off most of the State's affirmative action programs. According to Mervin Field, when CCRI is described simply as "a ballot measure that would abolish state and local laws relative to affirmative action," the measure wins by a narrow 31% to 27% margin. But when the full title and summary (which appears on the ballot) is read to voters, the margin increases to 56% YES vs. 35% NO. In his subgroup data, Field reports Demos oppose CCRI by a margin of 47% to 43%, while GOPers support CCRI by a margin of 71% to 22%...

■ ***NO on Lerach Update*** - Add Edelman Public Relations Worldwide to the team on the NO side of this Securities Fraud initiative. Edelman will handle free media relations...

■ ***Jarvis/Gann II Update*** - As we reported last week, so far there is **no opposition campaign** to this measure which would force local government agencies to schedule votes on new taxes. However, there is a statewide education program being launched by a coalition of groups --- groups who would dearly love to get rid of Prop. 13. These groups include the League of CA Cities, the County Supes Assn. of CA (CSAC) and the LWV. The info program will be run by the Sacto office of Nelson Communications. The firm promises a balanced program, but sources who support this new Jarvis/Gann measure are very suspicious. Stay tuned...

CALPEEK'S LEGAL FILE: HOT POLITICAL CASES.

Editor's note: In the past 10 days, the Calif. Supreme Court has been making big headlines with some very controversial decisions. Here's our update & analysis...

◆ ***3-Strikes Ruling*** - Lots of yelling and threats, especially from GOP lawmakers who were "outraged" that all 7 justices of the CA Supreme Court would give judges equal footing with DAs in 3 Strikes cases. This ruling wasn't a *liberal vs. conservative* decision, but instead was an intra-governmental turf war between the judicial and legislative branches, with the Supremes siding with the judges. Now that most of the yelling has died down, it's possible a legislative compromise (SB 331 - by State Sen. Rob Hurtt) may be in the works --- although the CA DAs Assn. is putting up a fight. But remember this: even if the lawmakers do nothing, judges aren't about to start taking liberties with the 3 Strikes law. If they did, they could quickly hear that 6-letter word which strikes fear into all elected officials: **recall**...

◆ ***Lottery Can't Run Keno Game*** - In another controversial 7-0 decision, the Supreme Court also ruled that the State Lottery Commission must get rid of its popular Keno game, which in 1994-95 brought in \$421 million in sales (w/\$143 million to schools). Some 7,500 retailers who have video-keno display terminals may take a bath because of this decision and there's a possibility that Indian casinos in Calif. may be forced to give up their video-gaming machines (some call them slot machines) as well. That's the opinion of AG Dan Lungren(R), but the Indians say the decision doesn't impact them at all. Our sources don't buy that spin. The real winners in this case: the attorneys...

DOG DAYS OF SUMMER: POLITICAL SHORT TAKES.

Editor's note: Here are a few political items worth noting...

❑ **Anti-Clinton TV Campaign** - In case you haven't noticed, the RNC has been running anti-Bill Clinton ads on tv for the past several weeks and sources say the tv ad blitz will continue up to the RNC Presidential Nominating Convention in San Diego on Aug. 10th. Nationally, the RNC will spend \$20 million. And make no mistake: these ads are paid for by the RNC, not by GOP presidential nominee Bob Dole, who is out of money. In Calif., with the CA Republican Party helping out, the ad budget is \$5.5 million. That's a ton of money and so far, no response from the DNC or Clinton/Gore '96. FYI: The newest tv ad running in Calif. takes aim at Pres. Clinton on the issue of illegal immigration. The ad is very similar in tone & texture to Gov. Pete Wilson's '94 illegal alien tv ad...

❑ **Secession Bill Wins Vote** - Assemblywoman Paula Boland's AB 2043 to allow the San Fernando Valley to detach itself from L.A. City won a 5-2 Senate Local Govt. Cmt. vote on June 26th. Next stop for the controversial secession bill is Senate Rules on July 1st. Only one amendment was added: if the Valley proponents of secession get the required signatures for a vote, that vote must take place at a general election to save money. An unfriendly amendment to allow all L.A. City voters to cast ballots on secession was defeated...

CALPEEK's SUMMER READING RECOMMENDATIONS

Editor's note: For those who enjoy reading political fiction & non-fiction books, here's a list which might interest you...

● **Primary Colors** by Anonymous. Are Jack & Susan Stanton stand-ins for Bill & Hillary? Very entertaining. *Y'knowhattamean???*

◆ **No Ordinary Time** by Doris Kearns Goodwin. About FDR's White House from 1940-45. Probably the best political non-fiction book I've ever read...

◆ **All's Fair - Love, War & Running for President** by Mary Matalin & James Carville. An easy-to-read he said/she said account of the '92 presidential race by America's favorite political odd couple...

● **The Agenda** by the Washington Post's Bob Woodward. Lots of Clinton insiders who blabbed to Woodward are now outsiders, but our trusted source says this book makes great reading...

◆ **Hot Air - All Talk All the Time** by Howard Kurtz, the media critic of the Washington Post. Informative, but it's written from a DC point of view...

◆ **The Murrow Boys** by the husband & wife writing team of Lynne Olson & Stan Cloud. It's all about CBS pre, during and post WWII...

NEW JOBS, ADDRESSES AND PERSONNEL NOTICES.

Editor's note: Here are some items to mark down in your notebook...

● A very sad note: Patricia A. Bond, savvy Demo campaign pro who helped guide the political careers of L.A. Co. Sup. Gloria Molina and U.S. Reps. Lucille Roybal-Allard & Xavier Becerra, died June 23 after a long battle with cancer. She was 56. R.I.P...

● Gov. Pete Wilson has replaced State Lottery chief Adelbert "Del" Pierce with Maryanne Gilliard, deputy director of the Dept. of Corrections...

● James A. Sivesind has rejoined the law firm of Reed & Davidson as an associate in the L.A. office...

● Sacto-based The Bovee Co. has hired Jennifer Williams as an executive asst. Williams was an asst. to former GOP Assembly Leader Jim Brulte...

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